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FILIPINO LABOR ADEQUATE FOR RUBBER NEEDS OF AMERICA

By NORBERT LYONS

"I would not hesitate to guarantee an abundance of Filipino laborers for any rubber enterprise that might be established anywhere in the Philippines if I had the care and handling of the laborers," writes J. Clayton Nichols, president and general manager of the Toledo-Cebu Coal Mines, Inc., of Cebu, P. I., in a letter to the American Chamber of Commerce of the Philippine Islands.

Mr. Nichols was commenting on reports that the Philippine labor problem puts great difficulties in the way of rubber cultivation in the Islands. "Incidentally," he adds, "I will say that I never lacked for an abundance of Filipino labor in either coal mines or sawmills."

Mr. Nichols has had many years of experience with Filipino labor and his convictions are seconded by other employers of Filipino workmen.

In 1905, when the electric street railway system was started in Manila, the prediction was freely made that it would fail because of the labor problem. Not only has the native labor supply proven adequate, but Filipinos have been trained to perform the work of nearly all branches of street railway operation. The Manila Railroad Company has had a similar experience.

Filipino Laborers in Hawaii

Filipino laborers have been in great demand by Hawaiian sugar planters who have sent special labor recruiting agents to the Philippines, with the result that now there are about 35,000 Filipino laborers employed on Hawaiian estates. The Filipinos are giving greater satisfaction than the laborers of other nationalities. Most of the Filipino workers in Hawaii come from the Visayan region, which is immediately adjacent to the Mindanao district, regarded by the government investigators as the section best suited for the cultivation of plantation rubber.

On the few small plantations now in bearing in the Philippines, Moro laborers have become expert tappers. Igorot laborers are successfully working the

gold mines of the Benguet mining region in northern Luzon. These are all members of the so-called non-Christian tribes whose total population in the

On the next page of this issue is printed a table showing the bonded indebtedness of the Philippine Government as of December 31, 1924.

The bonded debt of the Philippine Government is specifically authorized by the Congress of the United States.

The Philippine Governmental issues of bonds are sold in the American market through the agency of the Bureau of Insular Affairs, a branch of the War Department. While the United States Government does not assume any financial obligation for the Philippine Government, the Attorney General, in an opinion dated August 11, 1921, said: "There can be no doubt . . . that the national power [U. S. Government] will take the necessary steps in all contingencies to protect the purchasers in good faith of these securities [bonds issued by the Philippine Government]."

Archipelago does not exceed one million. Main reliance would have to be placed upon laborers recruited from the Christian natives, who number 11,000,000 all told.

In clearing jungle, Filipinos have been found especially efficient. Whereas it has cost American planters in Sumatra \$150 to clear an acre of jungle land, the cost for the same work in Mindanao has been only \$25 an acre. This is mainly due to the fact that the Filipinos utilize fire as well as cutting tools in their clearing operations. First they cut down the undergrowth with their bolos. Then the small trees are cut half-way through. The large trees are then felled and in tumbling down break off the partially cut small timber. The cut undergrowth is then set afire and the whole tract burned to ashes.

Efficiency of Filipino Labor

A few years ago a Mr. Strong, head of the largest Philippine rubber-growing enterprise, visited the Federated Malay States for the purpose of studying labor and other conditions in the rubber industry. Comparing labor costs with those in the Philippines, he found the Filipino labor to be more efficient, dollar for dollar, than the Malaysian labor, even though the per diem labor cost on the mainland was a little lower. Referring to native labor, the "American Chamber of Commerce Journal" of Manila in its August, 1925, issue says:

"The Department of Commerce in Washington has a report from the Vance commission that on the maximum basis of 100,000 workmen the maximum annual output of rubber from the Philippines can be placed at 70,000 tons. We believe that experience will prove that the output will never be handicapped for want of labor, and therefore the entire supply for the United States may be grown in the Philippines."

Based on the Department of Commerce figures, it would require only about 500,000 laborers to grow a rubber supply sufficient to meet the present needs of the United States; and the general belief is that no great difficulty should be encountered by American planters in recruiting that number of laborers in a population of 12,000,000 people accustomed to agricultural pursuits from childhood.

Table Showing the Bonded Indebtedness of the Philippine Government

As of December 31, 1924

(Compiled from the Annual Report of Insular Auditor Ben F. Wright for the fiscal year 1924)

NOTE—All bond issues of the Philippine Government have been authorized by the Philippine Legislature on specific authority from Congress.

| Purpose of Issue | Date | Duration In Years | Amount Issued | Rate of Interest Per Cent |
|--|---------------|----------------------|------------------|---------------------------------|
| Purchase of Friar Lands..... | Feb. 1, 1904 | 10 to 30 | \$7,000,000 (1) | 4 |
| Construct Public Works..... | March 1, 1905 | 10 to 30 | 2,500,000 | 4 |
| Construct Public Works..... | Feb. 1, 1906 | 10 to 30 | 1,000,000 | 4 |
| Construct Public Works..... | Aug. 1, 1909 | 10 to 30 | 1,500,000 | 4 |
| Purchase Capital Stock of Manila R. R. Co. | Dec. 1, 1916 | 10 to 30 | 4,000,000 | 4 |
| Improve Port of Manila..... | Sept. 1, 1920 | 10 to 30 | 6,000,000 | 5½ |
| Construct Irrigation Systems and Other Public Works | Aug. 1, 1921 | 20 | 10,000,000 | 5½ |
| Protect Financial Interests of the Government... | Feb. 1, 1922 | 30 | 5,000,000 | 5 |
| Construct Port Works, Manila, Irrigation Sys- tems, etc. | July 1, 1922 | 30 | 9,500,000 (2) | 4½ |
| Re-establish Gold Standard and Treasury Certifi- cate Funds | July 15, 1922 | 30 | 23,000,000 (3) | 4½ |
| Purchase Bonds of City of Manila..... | June 1, 1922 | 28½ | 2,750,000 | 4½ |
| Total Outstanding Bonds.... | | | \$72,250,000 | |
| (1) Authorized but unissued..... | | | \$ 237,000 | |
| (2) Authorized but unissued..... | | | 12,000,000 | |
| (3) Authorized but unissued..... | | | 500,000 | |
| Total authorized | | | \$84,987,000 | |
| Philippine bond issues other than those of the central government are as follows: | | | | |
| City of Manila 4% loan of 1905 (10 to 30 years), 1st series, sewer and water bonds..... | | | \$1,000,000 | |
| City of Manila 4% loan of 1907 (10 to 30 years), 2nd series, sewer and water bonds.... | | | 2,000,000 | |
| City of Manila 4% loan of 1908 (10 to 30 years), 3rd series, sewer and water bonds..... | | | 1,000,000 | |
| Municipality of Cebu 4% loan of 1911 (10 to 30 years), sewer and water bonds..... | | | 125,000 | |
| Municipality of Santa Cruz, Laguna, 5% loan of 1919 (10 to 30 years), sewer and water bonds | | | 45,000 | |
| Municipality of Majayjay, Laguna, 5% loan of 1919 (30 years), sewer and water bonds.. | | | 20,000 | |
| Municipality of Bangued, Abra, 5% loan of 1919 (30 years), waterworks bonds..... | | | 20,000 | |
| Total | | | \$4,210,000 | |

